(MSP) operations by Government agencies is open-ended, therefore no specific targets for procurement are set. However based on the estimates of procurement of wheat for Crop Year 2005-06, to the marketed in Rabi Marketing Season (RMS) 2006-07, given by Food Secretaries of wheat procuring States, it was estimated that 162 lakh tonnes of wheat would be procured in RMS 2006-07. Against this estimate only 92.25 lakh tonnes of wheat could be procured by the Government agencies.

(d) This procurement was 55.60 lakh tonnes less than the 147.85 lakh tonnes of wheat procured for Crop year 2004-05 (which was marketed in RMS 2005-06).

Procurements by corporations

1218. SHRI MOINUL HASSAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the decision to import wheat reflects Government's failure to procure enough wheat after the last harvest;

(b) whether Government are aware that the large corporations such as Cargile and Reliance have taken advantage by quickly occupying the space vacated by Government and there are serious implication for food prices and food security; and

(c) if so, the reaction of Government thereto?

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR): (a) The procurement of wheat in Rabi Marketing Seasons (RMS) 2005-06 was 147.87 lakh tonnes while the off-take of wheat in 2005-06 was 171.64 lakh tonnes. As a result the stocks of wheat in the Central Pool as on 1st January, 2006 was 61.88 lakh tonnes against the buffer norm of 82 lakh tonnes.

To augment the stocks of wheat in the Central Pool and also to keep a check on open market prices of wheat, a decision was taken to import 5 lakh tonnes of wheat in February, 2006. Subsequently, in RMS 2006-07, it was estimated that only 95 lakh tonnes of wheat would be procured against the estimate of 162 lakh tonnes. Therefore, to augment the wheat stocks in the Central Pool, since the Government did not want to compromise on

food security, a decision was taken in April, 2006 to import a further 30 lakh tonnes of wheat.

(b) and (c) As per the present procurement policy, the Government agencies carry out Minimum Support Price (MSP) operations in wheat producing areas. However, the farmer is free to sell his produce to the Government agencies or private traders, including large private companies, as is advantageous to him.

During RMS 2006-07, there has been higher private participation in wheat procurement. To procure sufficient quantitites of wheat, the Department of Food & Public Distribution has formulated a proposal to purchase foodgrains at a rate higher than the MSP.

Ban on export of sugar

1219. SHRI VEDPRAKASH P. GOYAL: Will the Minister CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact Government have banned the export of sugar for the next nine months to keep the rising prices down;

(b) if so, the details of extent to which it will help to control the rising prices; and

(c) the details of steps taken by Government to control the rising prices of other necessary things like vegetables, pulses, etc.?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) and (b) The Central Government, *vide* notification dated 4th July, 2006, has banned export of sugar till the end of current financial year, that is, up to 31.3.2007. Since the prices depend upon a number of factors, it is not possible to isolate the effect of ban on export of sugar on prices.

(c) Government has already taken steps to arrest the increase in prices by taking measures such as augmenting domestic, supplies through imports at reduced duty rates, ban on exports of pulses and sugar and regular monitoring of prices of essential commodities. Other steps taken include advice to State Governments to initiate steps to ensure availability